

January 30, 2020

VIA ELECTRONIC FILING

The Honorable Jocelyn Boyd
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29211

RE: South Carolina Energy Freedom Act (House Bill 3659) Proceeding
Related to S.C. Code Ann. Section 58-37-40 and Integrated Resource
Plans for Dominion Energy South Carolina, Incorporated
Docket No. 2019-226-E

Dear Ms. Boyd:

By Order No. 2020-63 (“Order”), dated January 22, 2020, issued in the above-referenced docket, the Public Service Commission of South Carolina (“Commission”) requested interested parties to file comments regarding the requirements of Integrated Resource Plans along with suggestions for next steps. In furtherance of the Commission’s Order, please allow this letter to serve as comments for Dominion Energy South Carolina, Inc. (“DESC”).

Background Comments

By letter dated June 13, 2019, the Chief Clerk/Executive Director of the Commission issued a letter to counsel for the South Carolina Office of Regulatory Staff (“ORS”), Duke Energy Carolinas, LLC, Duke Energy Progress, LLC (together “Duke Energy”), Lockhart Power Company (“Lockhart”), and DESC stating that on June 12, 2019, the Commission “[v]oted for the four jurisdictional electric utilities . . . the Office of Regulatory Staff, and other interested parties to provide commentary on proposed Integrated Resource Plan (IRP) procedural schedules related to issues such as a filing date for the IRP, hearing date, prefile testimony dates, intervention dates, et cetera.”¹

By letter dated June 17, 2019, DESC informed the Commission that it had already filed its IRP on February 8, 2019, and that Act No. 62 did not require DESC

¹ On June 18, 2019, the Chief Clerk/Executive Director issued a second letter that contained the same instructions to counsel but correcting the Commission’s letterhead.

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to further update its IRP in 2019. DESC also informed the Commission that it intended to follow its historical practice to update its IRP in February of each year and proposed to file its next IRP in compliance with the newly enacted S.C. Code Ann. § 58-37-40(A) on **February 28, 2020**.² DESC also explained in its June 17 letter that Act No. 62 establishes detailed and specific guidelines regarding IRPs to be filed by electrical utilities. Additionally, DESC informed the Commission that Act No. 62 set forth a comprehensive procedure by which the Commission, ORS and other interested parties could review the proposed IRP and assess whether the electrical utility has complied with the extensive statutory criteria put in place by the South Carolina General Assembly. DESC concluded by stating that these requirements and procedures provide ample guidance to determine the sufficiency of IRPs filed by electrical utilities and that, therefore, establishing a separate proceeding to establish further guidelines is neither required nor warranted by Act No. 62.

By letter dated July 5, 2019, DESC restated to the Commission the position that DESC originally articulated in its June 17, 2019 letter. In its July 5 letter, DESC was clear that it intended to follow its historical practice to update its IRP in February each year and proposed to file its IRP on **February 28, 2020**.

On July 10, 2019, the Commission Staff issued a document entitled "Consolidated Report of External Stakeholders' Act 62 Procedural Comments"(July 10, 2019)(as amended July 16, 2019). The Commission Staff's report summarized the comments submitted to the Commission by interested parties and indicated that DESC intended to file its IRP in **February 2020**.

By joint letter dated August 19, 2019, submitted by Duke Energy, DESC, Lockhart, the Southern Environmental Law Center, and the South Carolina Solar Business Alliance, the parties informed the Commission that "[t]he Interested Parties agree that the utilities shall submit an [IRP] in compliance with Act 62 in 2020." Additionally, the parties informed the Commission that Duke Energy, DESC and Lockhart disagreed with the proposal by the South Carolina Solar Business Alliance and the Southern Environmental Law Center that the Commission should open a generic docket for consideration of guidelines/procedures to be established prior to the utilities filing their IRPs in 2020.

By letter dated October 24, 2019, filed in Docket No. 2019-9-E, DESC informed counsel for ORS, the South Carolina Solar Business Alliance, the South Carolina Coastal Conservation League, and the Southern Alliance for Clean Energy that DESC intended to file its IRP on **February 28, 2020**.

² Commission Order No. 2010-124, dated January 27, 2010, issued in Docket No. 1987-223-E established February 28 as the annual IRP filing date for DESC.

Most recently, by letter dated January 21, 2020, DESC, among other things, informed the Commission again that it would file its IRP on **February 28, 2020**.

It is indisputable that DESC has been clear with the Commission as well as other interested parties that the Company intends to file its IRP on **February 28, 2020**.

Procedural Comments

With respect to the requirements for IRPs, Act No. 62 provides clear, detailed and comprehensive guidance concerning the structure and process for future IRP filings. *See* S.C. Code Ann. § 58-37-40. In other words, the process established by Act No. 62 regarding IRPs is very prescriptive. Following any process other than the process set forth in Act No. 62 is to ignore the mandate of the General Assembly.

In adopting Act No. 62 the General Assembly required electric utilities to update their IRP filings annually. *See* S.C. Code Ann. § 58-37-40(D)(1). As DESC has stated numerous times, DESC intends to meet its obligations under § 58-37-40 by filing an IRP on **February 28, 2020** that complies in all respects with the statutory mandates set forth in Act No. 62. After the Commission receives DESC's IRP, the Commission has 300 days within which to issue a final order approving, modifying, or denying the IRP filed by the electrical utility. § 58-37-40(c)(1). According to DESC's calculations, the Commission will be required to issue its order on or before December 25, 2020. During this 300-day time period, the Commission is required to establish a proceeding to review the plan, allow for intervention by interested parties, and establish a procedural schedule to permit reasonable discovery by interested parties. *Id.*

As for next steps, DESC recommends that the Commission follow its customary practice of issuing a Notice of Filing after DESC files its IRP. The Notice of Filing should include, among other things, a deadline for interested persons to intervene in the proceeding. After the parties are known, then the Commission, with the assistance of a hearing officer and input from the parties, can establish a procedural schedule which would include discovery and comment deadlines.

What is not necessary, and indeed contrary to Act No. 62, is the establishment of a generic docket for consideration of guidelines/procedures to be established prior to the utilities filing their IRPs in 2020, as the solar developer/environmental confederation has suggested to this Commission in prior filings. The request for a generic docket is nothing more than an attempt by these entities to convince the Commission to adopt additional guidelines/procedures that the General Assembly considered and rejected for inclusion in Act No. 62. Act No. 62 does not allow for such action and if the Commission wishes to take any action other than what is required

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of it by the unambiguous language of Act No. 62, then the Commission is required to “promulgate regulations to carry out the provisions of this section.” *See* § 58-37-40(E).

DESC sincerely appreciates the opportunity to comment and provide input regarding this matter. Thank you for the time and consideration given this important matter.

If you have any questions or need additional information, please do not hesitate to contact us.

Very truly yours,



K. Chad Burgess

KCB/kms

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